**JUDICIARY** 

WASHINGTON, DC 20510

1100

CC Mailroom

DEC 18 2017

Received & Inspected

December 11, 2017

The Honorable Ajit Pai Federal Communications Commission 445 12<sup>th</sup> Street SW Washington, DC 20554

## Dear Chairman Pai:

Enclosed please find a letter from 28 rural Minnesota broadband providers requesting that the Federal Communications Commission (FCC) take action before the end of the year to address funding shortfalls in the Alternative Connect America Model (A-CAM) plan. Fully funding the High-Cost Universal Service Fund (USF) program will result in significant additional broadband connectivity for rural consumers in Minnesota.

I appreciate the efforts of the FCC to strengthen and streamline the High-Cost USF program. This program is critical to achieving our national broadband goals and closing the digital divide. However, a lack of resources to meet these national goals is undermining investment and consumer access to affordable broadband across much of rural America. I urge you to provide additional funding for the High-Cost USF program so that more rural Minnesota residents can fully utilize the opportunities afforded by access to broadband.

Thank you for considering this request. I look forward to working with you to increase access to high-speed, affordable broadband.

Sincerely,

Amy Klobuchar

United States Senator

November 28, 2017

Ms. Marlene Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

We are rural telecommunications carriers that elected the revised offer of Alternative Connect America Model (A-CAM) support in Minnesota. (See Attachment A). We urge the Federal Communications Commission ("Commission") to take action, before the end of this year if possible, to authorize additional A-CAM funding up to \$200/month per eligible customer location to enable more rural consumers in Minnesota to have the broadband connectivity necessary for jobs, education, healthcare, and economic development.

The time to act is now. The mechanism to distribute additional funds to advance broadband deployment is already in place. The additional funding will be targeted to high-cost census blocks that are not served by unsubsidized competitors where, absent support, it is not economically feasible to extend broadband service. We are already upgrading network infrastructure in our communities and are eager to further extend the reach of those networks to additional customers. If we receive additional funding now, we will be able to design our network upgrades in the most efficient manner to better serve our communities.

This additional funding will result in defined and measurable progress in closing the digital divide. The companies in Minnesota that elected the revised offer of A-CAM support in January 2017 committed at that time to deploy broadband to a specific number of additional locations if further funding were made available by December 31, 2017. We are ready, willing and able to meet those additional broadband deployment obligations. Collectively, additional funding of \$200/month per location would result in an additional 6,838 locations in Minnesota having access to a minimum of 25/3 Mbps broadband service, while 3,070 locations would newly have access to service of at least 10/1 Mbps. The number of A-CAM funded locations that would remain on "reasonable request" in Minnesota would decrease by 51% percent, or 5,293, if funding is increased to this level – meaning that the carriers serving these customers will have a concrete obligation to deploy broadband to them.

Allocating this additional funding to further extend broadband in our communities will result in more far reaching economic and social benefits. Access to broadband is critical to economic growth and productivity in rural areas, which will benefit the entire nation. Residents of rural Minnesota told us they are reluctant to expand their businesses because of limited broadband services available to them. Further extending the reach of broadband will enable more children in our communities to do their homework at home, allow our seniors to age in place, and result in healthcare savings for the chronically ill who can be remotely monitored at

Ms. Marlene Dortch November 28, 2017 Page 2

home. For example, with upgraded service to ACAM locations, rural Minnesota students will be able to more readily access a wider variety of content such as video streaming of live classes, documentaries and other educational programming.

We urge the Commission to act by the end of this year to allocate additional funding to carry out its original decision to provide A-CAM funding for up to \$200/month per eligible location.

Sincerely,

The Minnesota A-CAM Companies

Chairman Ajit Pai cc:

Commissioner Mignon Clyburn Commissioner Michael O'Rielly Commissioner Jessica Rosenworcel

Commissioner Brendan Carr

Attachment A

## Attachment A Minnesota A-CAM Companies

Arvig Telephone Company

Blue Earth Valley Telephone Company

Bridge Water Telephone Company

Cannon Valley Telephone Company

Christensen Communications Company

Clara City Telephone Company

Easton Telephone Company

**Eckles Telephone Company** 

Granada Telephone Company

Hutchinson Telephone Company

Mid-State Telephone Company

Mid-State Telephone Company d/b/a KMP

Minnesota Valley Telephone

New Ulm Telecom, Inc.

Northern Telephone Company

Park Region Mutual Telephone Company

Pine Island Telephone Company

Rothsay Telephone Company

Sacred Heart Telephone Company

Sleepy Eye Telephone Company

Starbuck Telephone Company

Valley Telephone Company

Western Telephone Company

Wikstrom Telephone Company

Wilderness Valley Telephone Company, Inc.

Winsted Telephone Company

Winthrop Telephone Company

Zumbrota Telephone Company



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

February 13, 2018

The Honorable Amy Klobuchar United States Senate 302 Hart Senate Office Building Washington, D.C. 20510

Dear Senator Klobuchar:

Thank you for your letter on the importance of connecting additional rural consumers in Minnesota to high-speed broadband. Your views are very important and will be entered into the record of our proceeding on the Connect America Fund and considered as part of the Commission's review.

In my first remarks to FCC staff as Chairman, I declared that my highest priority would be making sure every American who wants high-speed Internet access can get it. Rural Americans deserve the same digital access as those living in urban areas. A key way to reach this goal is by updating the high-cost universal service program to encourage cooperatives and other small, rural carriers to build more online infrastructure.

We need more deployment in sparsely populated rural areas if we're going to extend digital opportunity to all Americans. But I've heard from community leaders, Congress, and carriers that insufficient, unpredictable funding has kept them from reaching this goal. That is why I recently shared with my fellow commissioners an order that would promote more highspeed broadband deployment in rural areas. If adopted, it would provide over \$500 million in additional funding for cooperatives and small rural carriers—including those participating in the Alternative Connect America Model (A-CAM) plan. And it seeks public input on both further increasing support to current A-CAM recipients and on giving legacy rate-of-return carriers a new chance to elect model-based support. Increased funding will boost broadband deployment in rural America, and the accompanying reforms will put our high-cost system on a more efficient path, helping to ensure that every American can benefit from the digital revolution.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Ajit V. Pai